

# TRADE-T-SYSTEM<sup>SM</sup>

## Four Step Virtual Transaction Flow Chart

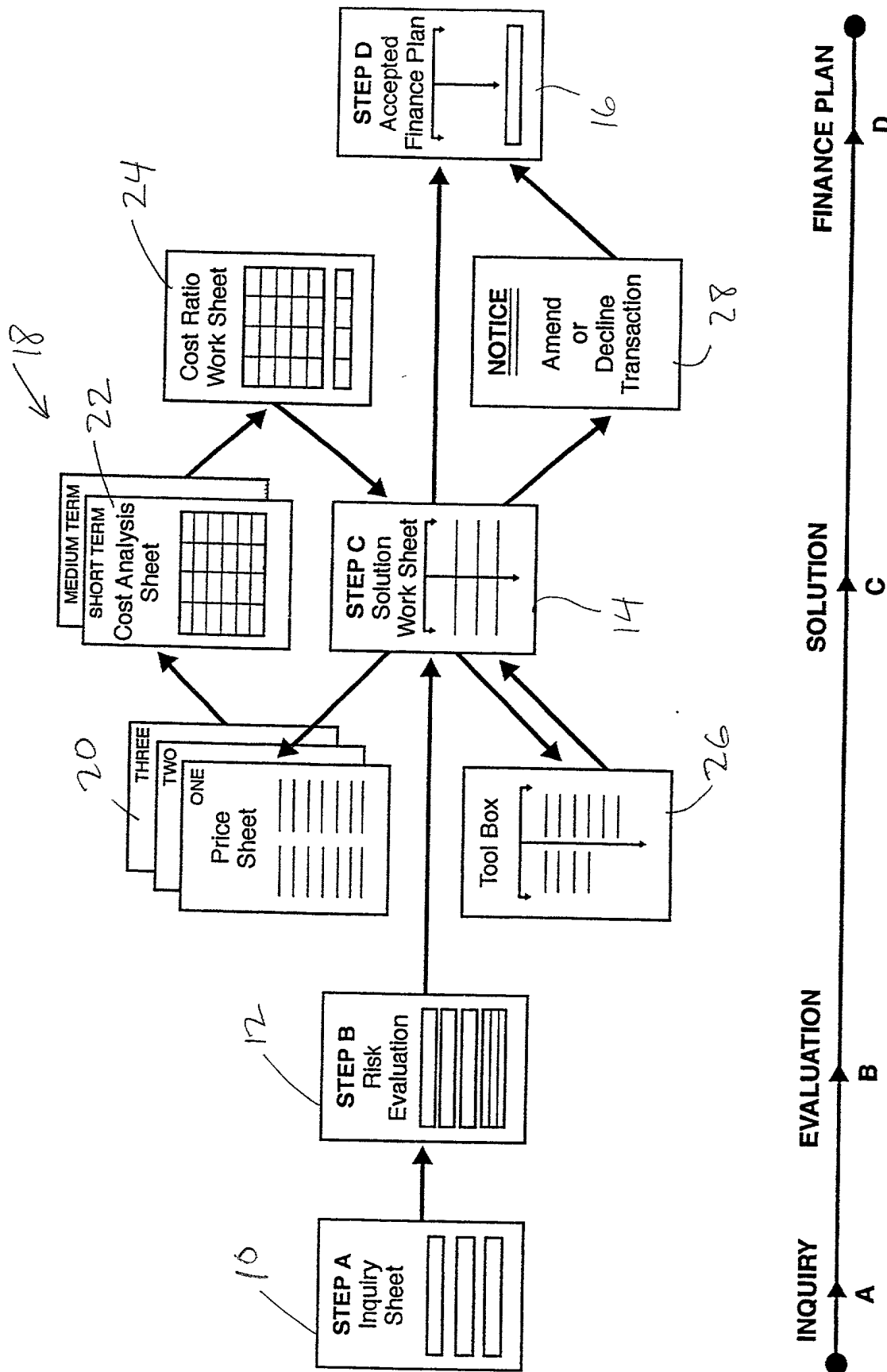


FIG. 1

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**TRADE-T-SYSTEM<sup>SM</sup>**  
**Transaction Inquiry Sheet**

Step A

Time 10:00 am

Date 3/16/00

**IDENTITY**

Exporter/Customer Core Systems, Inc.  
Address \_\_\_\_\_ Suite \_\_\_\_\_  
City Mountain View State CA Zip \_\_\_\_\_  
Phone \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_  
Contact David Janssen Transaction No. 001

**VALUES**

Years in Business 8 Years in Exporting 8  
Total Gross Sales \$ 3 million Domestic 10% International 90%  
Gross Margin 35% Domestic 35% International 35%  
Net Equity: Last Quarter \$ \_\_\_\_\_ Last Year \$ 500,000  
Net Profits: Last Quarter \$ \_\_\_\_\_ Last Year \$ 150,000

**TRANSACTION**

Importer/Buyer Oil Company  
Address \_\_\_\_\_ Suite \_\_\_\_\_  
City Moscow State \_\_\_\_\_ Zip \_\_\_\_\_ Country Russia  
Phone \_\_\_\_\_ Fax \_\_\_\_\_  
Contact \_\_\_\_\_ E-mail \_\_\_\_\_  
Transaction Amt \$ 3 million US Incoterms FOB-SFO  
No. of Shipments \_\_\_\_\_ 1-\$ \_\_\_\_\_ 2-\$ \_\_\_\_\_ 3-\$ \_\_\_\_\_  
Description of Goods/Services core analysis equipment US Content 90%  
Required Days (Manufacture/Procure) 18 mo. Estimated Ship Date \_\_\_\_\_  
Sales Contract: ☒ Yes/No Purchase Order: Yes/No Proforma Invoice: Yes/No

**PAYMENT**

Payment Method: ☐ Cash in Advance  
SHORT TERM ☒ Letter of Credit: Sight Usance \_\_\_\_\_ No. Days \_\_\_\_\_  
Issue Bank Moscow Bank  
Amount \$ \_\_\_\_\_ Currency \_\_\_\_\_  
Confirmed: Yes/No  
Additional Terms \_\_\_\_\_  
☐ Documentary Collection: Sight Draft/Time Draft  
☐ Open Account Days \_\_\_\_\_  
Credit Insurance: Yes/No Factored: Yes/No  
MEDIUM TERM \_\_\_\_\_

**FINANCE**

Pre-Export Need \$ \_\_\_\_\_ No. of Days \_\_\_\_\_  
Post-Export Need \$ \_\_\_\_\_ No. of Days \_\_\_\_\_

FIG. 2

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**TRADE-T-SYSTEM<sup>SM</sup>**  
**Risk Evaluation Sheet**

**Step B**

Transaction Amt \$ \_\_\_\_\_

No. of Shipments \_\_\_\_\_

Transaction No. 001

	PRE-EXPORT	POST-EXPORT
1. TRANSACTION	Sales contract 18 mo. to ship	FOB - SFO Certificate of Inspection
2. PAYMENT		Letter of Credit (sight)
3. FINANCE		
EXPORT CREDIT RISKS:    PERFORMANCE    SHIPMENT    PAYMENT		
Performance Risk Notes:    Experience with product In business 8 years Export for 8 years		
Shipment Risk Notes:    FOB San Francisco Airport (SFO) Certificate of Inspection required		
Payment Risk Notes:    Letter of Credit		

FIG. 3

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# TRADE-T-SYSTEM<sup>SM</sup> Solution Work Sheet

Step C

Transaction Amt \$ 1,000,000

No. of Shipments           

Transaction No.           

PRE-EXPORT		POST-EXPORT	
Purchase Order Date:			Final Payment Date:
Time	No. Days <u>11</u>	No. Days <u>1</u>	Total Days:
Incoterms			
Title Line*			
Tools: WCGP (Ex-Im, SBA, State)	Amt. \$ _____ Disburse Rate _____%		
Structural Costs			Structural Total Costs: \$ _____
Transaction Costs			Transaction Total Costs: \$ _____
Loan Amt \$ _____	Loan Amt \$ _____		Total Cost Ratio: _____%
SHIPMENT		DATE	

**FINAL RISK ASSESSMENT**  
Performance:

Shipment:

Payment:

\* Title Line: OWNED \_\_\_\_\_ NON-OWNED \_\_\_\_\_

FIG. 4

**TRADE-T-SYSTEM<sup>SM</sup>**  
Financial Tool Box

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PRE-EXPORT		POST-EXPORT	
WORKING CAPITAL	CODE	SHORT TERM	CODE
Cash In Advance	CIA	Cash In Advance	CIA
Government-Sponsored Programs		Letters of Credit	LOC
• Ex-Im Bank WCGP	EXB	• Sight	
• SBA EWCP	SBA	• Usance	
• State Guarantee Plans	SGP	Documentary Collection	DOC
Trading Company	TRC	• Sight Draft	
		• Time Draft	
		Open Account	OAT
		• International Credit Insurance	SCI
		Factoring	FTR
		• Factoring Guarantee	FTG
		<b>MEDIUM TERM</b>	
		International Credit Insurance	MCI
		Ex-Im Bank Payment Guarantees	EPG
		Standby Letter of Credit	SBL
		Forfaiting	MTF
		Leasing	LSG
SHIPMENT DATE			

FIG. 5

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**TRADE-T-SYSTEM<sup>SM</sup>**  
Tool Box Price Sheet

PAGE ONE

Date \_\_\_\_\_

Updated \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

PRE-EXPORT TOOLS	STRUCTURAL PRICE	TRANSACTION PRICE	LENDER REVENUE
<b>FEDERAL PROGRAMS</b>	\$	\$	\$
<b>Ex-Im Bank WCGP</b>			
Application Fee	_____	_____	_____
Guarantee Fee - Initial	_____	_____	_____
Guarantee Fee - Second Term	_____	_____	_____
<b>SBA EWCP</b>			
Application Fee	_____	_____	_____
Guarantee Fee - Initial	_____	_____	_____
Guarantee Fee - Second Term	_____	_____	_____
<b>STATE PROGRAMS</b>			
1. State: _____			
Application Fee	_____	_____	_____
Guarantee Fee - Initial	_____	_____	_____
Guarantee Fee - Second Term	_____	_____	_____
2. State: _____			
Application Fee	_____	_____	_____
Guarantee Fee - Initial	_____	_____	_____
Guarantee Fee - Second Term	_____	_____	_____
<b>TRADING COMPANIES</b>			
1. _____	_____	_____	_____
2. _____	_____	_____	_____
3. _____	_____	_____	_____

FIG. 6

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**TRADE-T-SYSTEM<sup>SM</sup>**

**Tool Box Price Sheet**

(Continued)

**PAGE TWO**

Date \_\_\_\_\_

Updated \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

POST-EXPORT TOOLS: SHORT TERM	STRUCTURAL PRICE	TRANSACTION PRICE	LENDER REVENUE
<b>LETTERS OF CREDIT</b>	\$	\$	\$
Advising Fee	_____	_____	_____
Negotiating Fee	_____	_____	_____
Confirmation Fee	_____	_____	_____
Amendment Fee	_____	_____	_____
Discrepancy Fee	_____	_____	_____
Other: _____	_____	_____	_____
Other: _____	_____	_____	_____
<b>Total</b>	_____	_____	_____
<b>DOCUMENTARY COLLECTION FEE</b>			
Correspondent Bank: _____	_____	_____	_____
<b>CREDIT INSURANCE</b>			
1. Company: _____			
Deposit Premium	_____	_____	_____
Transaction Premium	_____	_____	_____
Rate per \$100 Invoice Amount: _____	_____	_____	_____
Type of Policy: _____	_____	_____	_____
2. Company: _____			
Deposit Premium	_____	_____	_____
Transaction Premium	_____	_____	_____
Rate per \$100 Invoice Amount: _____	_____	_____	_____
Type of Policy: _____	_____	_____	_____
<b>FACTORING</b>			
House: _____			
Factoring Guarantee Fee	_____	_____	_____
Factoring Transaction Fee	_____	_____	_____

FIG. 7

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PAGE THREE

Date \_\_\_\_\_

Updated \_\_\_\_\_

[illegible]FIG. 8



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**TRADE-T-SYSTEM<sup>SM</sup>**  
**Cost Analysis Sheet**  
**Short Term**

Transaction Amt. \$ \_\_\_\_\_

No. of Shipments \_\_\_\_\_

Transaction No. \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

Importer/Buyer: \_\_\_\_\_

**STRUCTURAL COSTS**

	EXPORTER COSTS		LENDER REVENUE	
	PRE	POST	PRE	POST
Application Fees	\$ _____	\$ _____	\$ _____	\$ _____
Working Capital Guarantee Fees	\$ _____	\$ _____	\$ _____	\$ _____
Initial Term Exp. Date: _____	\$ _____	\$ _____	\$ _____	\$ _____
Second Term Exp. Date: _____	\$ _____	\$ _____	\$ _____	\$ _____
Loan Origination Fees	\$ _____	\$ _____	\$ _____	\$ _____
Credit Insurance Deposit Premiums	\$ _____	\$ _____	\$ _____	\$ _____
Factoring Guarantee Fees	\$ _____	\$ _____	\$ _____	\$ _____
Other Fees: _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Total Structural Costs</b>	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>	\$ _____		\$ _____	

**TRANSACTION COSTS Short Term**

Letters of Credit Fee	\$ _____	\$ _____	\$ _____	\$ _____
Documentary Collection Fee	\$ _____	\$ _____	\$ _____	\$ _____
Credit Insurance Trans. Premium	\$ _____	\$ _____	\$ _____	\$ _____
Rate per \$100 Invoice Amt: _____	\$ _____	\$ _____	\$ _____	\$ _____
Factoring Transaction Fee	\$ _____	\$ _____	\$ _____	\$ _____
Loan Disbursement Fee	\$ _____	\$ _____	\$ _____	\$ _____
Loan Interest Charges	\$ _____	\$ _____	\$ _____	\$ _____
Other Fees: _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Total Transaction Costs</b>	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>	\$ _____		\$ _____	

**SHIPMENT ALLOCATION COSTS**

Shipment	Date	Amount				
1st	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2nd	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
3rd	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
<b>Total Shipment Allocation Costs</b>			\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>			\$ _____		\$ _____	

Total shipment allocation costs equal total transaction costs.

FIG. 9

**TRADE-T-SYSTEM<sup>SM</sup>**  
**Cost Ratio Work Sheet**

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Total Structural Cost Amount

\$ \_\_\_\_\_

Period \_\_\_\_\_ To \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

	1	2	3	TOTAL
A. Transaction No.	_____	_____	_____	
B. Ship Date	_____	_____	_____	

**EXPORTER COST**

	PRE	POST	PRE	POST	PRE	POST	PRE	POST
C. Structural Cost Allocation	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
D. Transaction Cost:								
1st Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2nd Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
3rd Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Trans. Costs	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
E. Transaction Amt.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
F. Structural Cost Ratio (C ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
G. Transaction Cost Ratio (D ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
H. Total Cost Ratio (F + G)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
I. TOTAL (Pre + Post)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

**LENDER REVENUE**

J. Structural Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
K. Transaction Rev.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
L. TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
M. TOTAL REVENUE RATIO (L ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

FIG. 10

**TRADE-T-SYSTEM<sup>SM</sup>**  
**Accepted Finance Plan**

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**Step D**

Date Accepted \_\_\_\_\_  
 Transaction No. \_\_\_\_\_  
 Transaction Amt. \$ \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_  
 Importer/Buyer: \_\_\_\_\_

PRE-EXPORT		POST-EXPORT	
Purchase Order Documents			
TOOL: Action Steps			TOOL: Action Steps
TOOL: Action Steps			TOOL: Action Steps
LOAN AMOUNT: Action Steps	\$ _____	\$ _____	LOAN AMOUNT: Action Steps
SHIPMENT		DATE	

Shipment Documents: \_\_\_\_\_

EXPORTER/CUSTOMER FINANCIAL INFORMATION:

FIG. 11

[illegible]

Guarantee Limit \$ \_\_\_\_\_  
Disbursement Rate \_\_\_\_\_ %  
Period \_\_\_\_\_ To \_\_\_\_\_

Period \_\_\_\_\_ To \_\_\_\_\_

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**TRADE-T-SYSTEM<sup>SM</sup>****Actual Transaction Cost Review Sheet****Short Term**

Transaction Amt. \$ \_\_\_\_\_

No. of Shipments \_\_\_\_\_

Transaction No. \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

Importer/Buyer: \_\_\_\_\_

**STRUCTURAL  
COSTS**

			EXPORTER COSTS		LENDER REVENUE	
			PRE	POST	PRE	POST
Application Fees			\$ _____	\$ _____	\$ _____	\$ _____
Working Capital Guarantee Fees			\$ _____	\$ _____	\$ _____	\$ _____
Initial Term Exp. Date _____			\$ _____	\$ _____	\$ _____	\$ _____
Second Term Exp. Date _____			\$ _____	\$ _____	\$ _____	\$ _____
Loan Origination Fees			\$ _____	\$ _____	\$ _____	\$ _____
Credit Insurance Deposit Premiums			\$ _____	\$ _____	\$ _____	\$ _____
Factoring Guarantee Fees			\$ _____	\$ _____	\$ _____	\$ _____
Other Fees: _____			\$ _____	\$ _____	\$ _____	\$ _____
Total Structural Costs			\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>			\$ _____		\$ _____	
Credit Insurance Premium			\$ _____	\$ _____	\$ _____	\$ _____
Ex-Im Payment Guarantee			\$ _____	\$ _____	\$ _____	\$ _____
Standby Letters of Credit			\$ _____	\$ _____	\$ _____	\$ _____
Forfeiting Charge			\$ _____	\$ _____	\$ _____	\$ _____
Lending Fees			\$ _____	\$ _____	\$ _____	\$ _____
Promissory Note Fees			\$ _____	\$ _____	\$ _____	\$ _____
Promissory Note Discount			\$ _____	\$ _____	\$ _____	\$ _____
Importer/Buyer Bill Back Charge (-)			(\$ _____)	(\$ _____)	(\$ _____)	(\$ _____)
Total Transaction Costs			\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>			\$ _____		\$ _____	
<b>SHIPMENT ALLOCATION COSTS</b>	Shipment	Date	Amount			
	1st	_____	\$ _____	\$ _____	\$ _____	\$ _____
	2nd	_____	\$ _____	\$ _____	\$ _____	\$ _____
	3rd	_____	\$ _____	\$ _____	\$ _____	\$ _____
	Total Shipment Allocation Costs			\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>			\$ _____		\$ _____	

Total shipment allocation costs equal total transaction costs minus bill back charges.

FIG. 13

**TRADE-T-SYSTEM<sup>SM</sup>****Actual Transaction Cost Review Sheet  
Medium Term**

Transaction Amt. \$ \_\_\_\_\_

No. of Shipments \_\_\_\_\_

Transaction No. \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

Importer/Buyer: \_\_\_\_\_

**STRUCTURAL  
COSTS**

	EXPORTER COSTS		LENDER REVENUE	
	PRE	POST	PRE	POST
Application Fees	\$ _____	\$ _____	\$ _____	\$ _____
Working Capital Guarantee Fees	\$ _____	\$ _____	\$ _____	\$ _____
Initial Term Exp. Date: _____	\$ _____	\$ _____	\$ _____	\$ _____
Second Term Exp. Date: _____	\$ _____	\$ _____	\$ _____	\$ _____
Loan Origination Fees	\$ _____	\$ _____	\$ _____	\$ _____
Credit Insurance Deposit Premiums	\$ _____	\$ _____	\$ _____	\$ _____
Factoring Guarantee Fees	\$ _____	\$ _____	\$ _____	\$ _____
Other Fees: _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Structural Costs	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>	\$ _____		\$ _____	

**TRANSACTION  
COSTS  
Short Term**

Letters of Credit Fee	\$ _____	\$ _____	\$ _____	\$ _____
Documentary Collection Fee	\$ _____	\$ _____	\$ _____	\$ _____
Credit Insurance Trans. Premium	\$ _____	\$ _____	\$ _____	\$ _____
Rate per \$100 Invoice Amt: _____	\$ _____	\$ _____	\$ _____	\$ _____
Factoring Transaction Fee	\$ _____	\$ _____	\$ _____	\$ _____
Loan Disbursement Fee	\$ _____	\$ _____	\$ _____	\$ _____
Loan Interest Charges	\$ _____	\$ _____	\$ _____	\$ _____
Other Fees: _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Transaction Costs	\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>	\$ _____		\$ _____	

**SHIPMENT  
ALLOCATION  
COSTS**

Shipment	Date	Amount				
1st	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2nd	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
3rd	_____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Shipment Allocation Costs			\$ _____	\$ _____	\$ _____	\$ _____
<b>TOTAL (Pre + Post)</b>			\$ _____		\$ _____	

Total shipment allocation costs equal total transaction costs.

**FIG. 14**

**TRADE-T-SYSTEM<sup>SM</sup>**  
**Actual Cost Ratio Comparison Sheet**

Total Structural Cost Amount

\$ \_\_\_\_\_

Period \_\_\_\_\_ To \_\_\_\_\_

Exporter/Customer: \_\_\_\_\_

	1	2	TOTAL	TOTAL
A. Transaction No.	_____	_____	ACTUAL COSTS	VIRTUAL COSTS
B. Ship Date	_____	_____	AND REVENUE	AND REVENUE
				(Cost Ratio Work Sheet)

**EXPORTER COST**

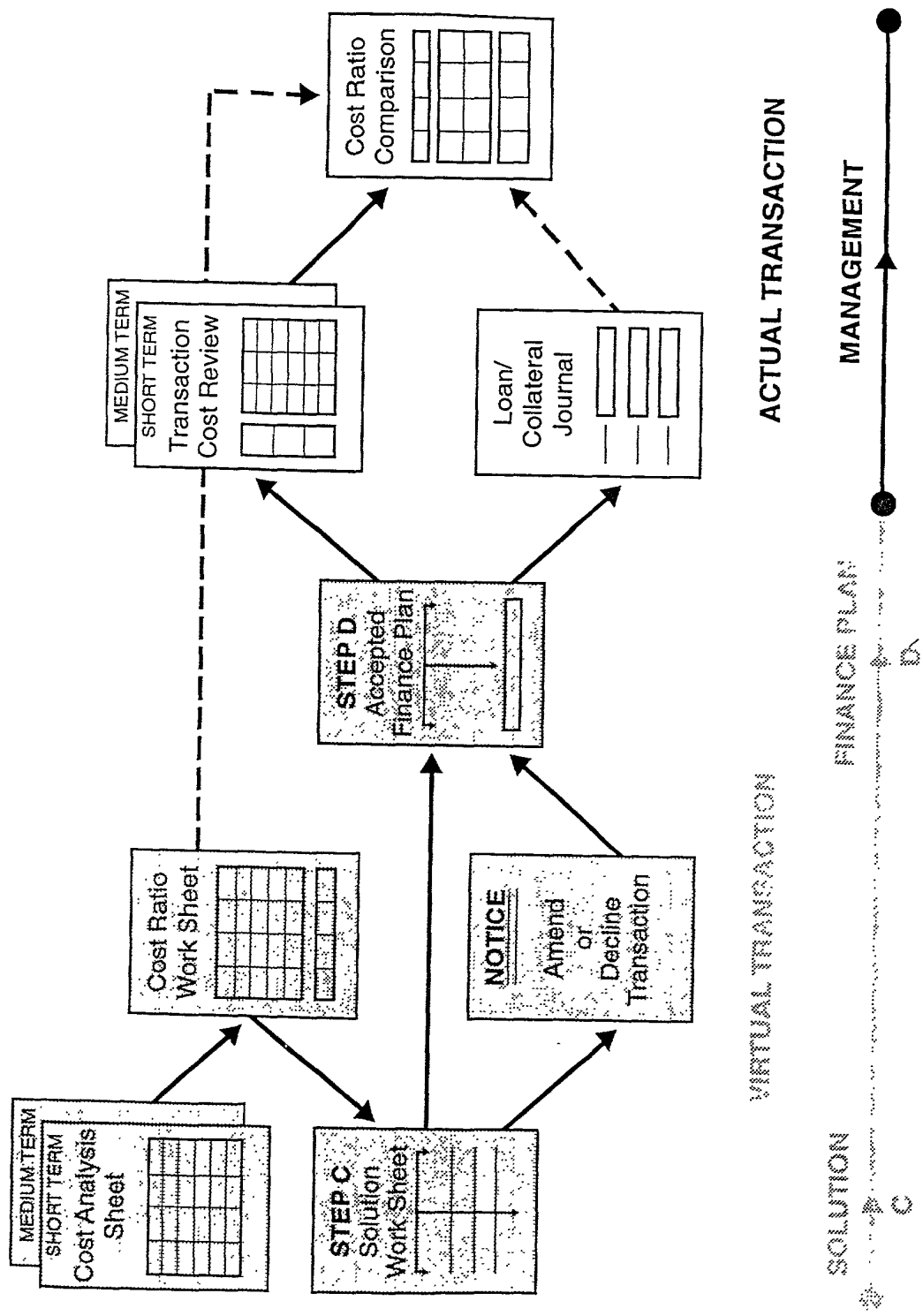
	PRE	POST	PRE	POST	PRE	POST	PRE	POST
C. Structural Cost Allocation	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
D. Transaction Cost:								
1st Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
2nd Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
3rd Shipment	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Trans. Costs	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
E. Transaction Amt.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
F. Structural Cost Ratio (C ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
G. Transaction Cost Ratio (D ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
H. Total Cost Ratio (F + G)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %
I. TOTAL (Pre + Post)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

**LENDER REVENUE**

J. Structural Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
K. Transaction Rev.	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total Revenue	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
L. TOTAL (Pre + Post)	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
M. TOTAL REVENUE RATIO (L ÷ E)	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %	_____ %

FIG. 15

# **TRADE-T-SYSTEM<sup>SM</sup>** **Actual Transaction Flow Chart**



*Fig. 16*